

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2007-187-C

June __, 2008

In Re:

Level 3 Communications, LLC's Tariff)	
No. 4 Revisions to Update the Rates)	
For Switched Access Services)	SETTLEMENT AGREEMENT
<hr/>)	

This Settlement Agreement is made by and among Level 3 Communications, LLC, Windstream South Carolina, Inc., Verizon South Inc., the South Carolina Telephone Coalition and its affiliates,¹ BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina, AT&T Communications of the Southern States, LLC, TC Systems, Inc. ("TC Systems"), BellSouth Long Distance, Inc. d/b/a AT&T Long Distance Service ("AT&T LD") and AT&T Communications of the Southern States, LLC ("AT&T Communications"), (collectively referred to as the "Parties" or sometimes individually as "Party") and the Office of Regulatory Staff ("ORS").²

WHEREAS, on April 11, 2007, Level 3 filed a revision to its South Carolina Tariff No. 4 with the Public Service Commission;

WHEREAS the other Parties to this Docket filed petitions to intervene;

¹ Members of the SCTC are set forth in Appendix A to this Settlement Agreement.

² The Office of Regulatory Staff ("ORS") is a party of record in this case by virtue of its role identified in S.C. Code § 58-4-10 (B) (Supp. 2007); and, for purposes of this Settlement Agreement, ORS has acted as a facilitator with the express agreement of the parties.

WHEREAS, the Parties have voluntarily agreed to settle the issues related to the revisions Level 3 filed to its South Carolina Tariff No. 4 and there are no other parties of record in the above-captioned proceeding;

WHEREAS, the Office of Regulatory Staff participated in the settlement negotiations and facilitated this Settlement Agreement pursuant S.C. Code Ann. § 58-4-50 (A)(9) (Supp. 2007); and

WHEREAS, following those settlement discussions, the Parties have each determined that their respective interests and ORS has determined that the public interest would be best served by settling all issues pending in the above-captioned case under the terms and conditions set forth below:

1. As part of the mediation sessions facilitated by ORS, Level 3 has separately negotiated certain intrastate switched access rates, terms and conditions individually with each of the other parties to this docket.
2. The Parties are authorized to enter into individual contracts pursuant to state law. *See, e.g.*, S.C. Code § 58-9-280(I); S.C. Code § 58-9-285 (Supp. 2007).
3. The ORS has reviewed each of these individual contracts and has discussed the terms and conditions of each individual contract with the parties to that contract and, as a result of those individual discussions, ORS has concluded that each contract is consistent with the public interest.
4. In light of these respective contracts, the Parties and ORS do not object to Level 3's proposed tariff revisions to Tariff No. 4 effective as of the date filed, May 1, 2007, which shall apply to all other carriers unless any such carrier

negotiates its own contract for intrastate switched access rates, terms and conditions with Level 3.

5. The Parties agree to continue to comply with all rules and regulations of the Commission unless and until the Commission has expressly waived such rule or regulation.
6. ORS supports Commission approval of this Settlement Agreement subject to the conditions enumerated herein.
7. ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B) (Supp. 2007). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS submits that the Settlement Agreement serves the "public interest" as defined above.

8. The Parties and ORS agree to advocate that the Commission accept and approve this Settlement Agreement in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and to take no action inconsistent with its approval by the Commission. The Parties and ORS further agree to cooperate in good faith with one another in recommending to

the Commission that this Settlement Agreement be accepted and approved by the Commission. The Parties and ORS agree to use reasonable efforts to defend and support any Commission order issued approving this Settlement Agreement in its entirety.

9. The Parties and ORS agree that signing this Settlement Agreement will not constrain, inhibit, impair or prejudice their arguments or positions held in other state or federal proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings.
10. This Settlement Agreement shall be interpreted according to South Carolina law.
11. The above terms and conditions fully represent the agreement of the Parties and ORS. Therefore, each Party and ORS acknowledge consent and agreement to this Settlement Agreement by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Settlement Agreement and the terms contained herein, then this Settlement Agreement shall be null and void and will not be binding on any Party.

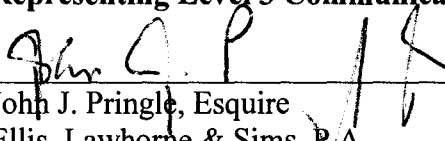
APPENDIX A

South Carolina Telephone Coalition Member Companies

Bluffton Telephone Company, Inc.
Chesnee Telephone Company
Chester Telephone Company, d/b/a TruVista Communications
Farmers Telephone Cooperative, Inc.
Ft. Mill Telephone Company, d/b/a Comporium Communications
Hargray Telephone Company, Inc.
Home Telephone Company, Inc.
Horry Telephone Cooperative, Inc.
Lancaster Telephone Company, d/b/a Comporium Communications
Lockhart Telephone Company, d/b/a TruVista Communications
McClellanville Telephone Company
Norway Telephone Company
Palmetto Rural Telephone Cooperative, Inc.
Piedmont Rural Telephone Cooperative, Inc.
PBT Telecom
Ridgeway Telephone Company, d/b/a TruVista Communications
Rock Hill Telephone Company, d/b/a Comporium Communications
Sandhill Telephone Cooperative, Inc.
St. Stephen Telephone Company
West Carolina Rural Telephone Cooperative, Inc.
Williston Telephone Company

WE AGREE:

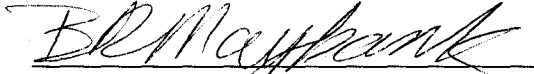
Representing Level 3 Communications LLC



John J. Pringle, Esquire
Ellis, Lawhorne & Sims, P.A.
1501 Main Street, 5th Floor
Post Office Box 2285
Columbia, SC 29202
Phone: (803) 254 -4190
Fax: (803) 779-4749
jpringle@ellislawhorne.com

WE AGREE:

Representing Windstream South Carolina, Inc.

A handwritten signature in black ink, appearing to read "BR Maybank", is written over a horizontal line.

Burnet R. Maybank, III, Esquire

Nexsen, Pruet, Adams Kleemeier, LLC

P.O.Drawer 2426

Columbia, South Carolina 29202

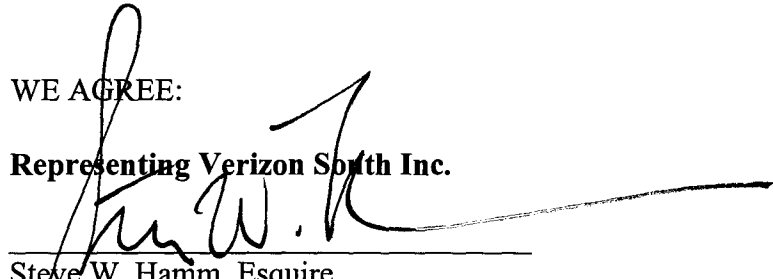
Phone: (803)-540-2048

Fax: (803)-253-8277

Email: bmaybank@nexsenpruet.com

WE AGREE:

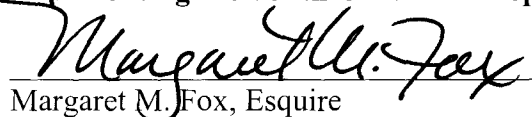
Representing Verizon South Inc.



Steve W. Hamm, Esquire
Richardson, Plowden, & Robinson
P.O. Box 7788
Columbia, South Carolina 29202
Phone: (803)771-4400
Fax: (803)799-7555
Email:shamm@rpcrlaw.com

WE AGREE:

Representing the South Carolina Telephone Coalition

A handwritten signature in black ink, reading "Margaret M. Fox". The signature is written in a cursive style with a large, stylized "M" and "F".

Margaret M. Fox, Esquire

M. John Bowen, Jr. Esquire

McNair Law Firm, PA

P.O. Box 11390

Columbia, South Carolina 29211

Phone: (803)-799-9800

Fax: (803)-799-9804

Email: pfox@mcnair.net

WE AGREE:

Representing BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina, TC Systems, Inc., BellSouth Long Distance, Inc. d/b/a AT&T Long Distance Service, and AT&T Communications of the Southern States, LLC



Patrick W. Turner, Esquire

1600 Williams Street

Suite 5200

Columbia, South Carolina 29201

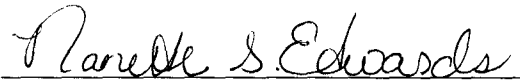
Phone: (803)-401-2900

Fax: (803)-254-1731

Email: pt1285@att.com

WE AGREE:

Representing the South Carolina Office of Regulatory Staff

A handwritten signature in cursive script, reading "Nanette S. Edwards", is written over a horizontal line.

Nanette S. Edwards, Esquire
South Carolina Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, SC 29201
Phone: (803) 737-0575
Fax: (803) 737-0895
E-mail: nsedwar@regstaff.sc.gov

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-187-C

IN RE:)	
Level 3 Communications, LLC's Tariff)	CERTIFICATE OF
No. 4 Revisions to Update the Rates)	SERVICE
For Switched Access Services)	

This is to certify that I, Chrystal L. Morgan, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the **JOINT MOTION AND SETTLEMENT AGREEMENT** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Patrick W. Turner, Esquire
BellSouth Telecommunications, Incorporated d/b/a AT&T South Carolina
1600 Williams Street, Suite 5200
Columbia, SC, 29201

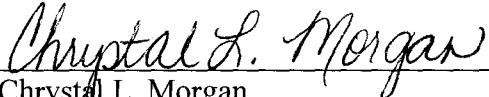
John J. Pringle, Jr., Esquire
Ellis, Lawhorne & Sims, P.A.
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Karen M. Hyde, Legal Assistant
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Burnet R. Maybank III, Esquire
Nexsen Pruet, LLC
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Columbia, SC, 29202

Steve W. Hamm, Esquire
Richardson Plowden Carpenter & Robinson, P.A.
P.O. Box 7788
Columbia, SC, 29202


Chrystal L. Morgan

June 27, 2008
Columbia, South Carolina